

Federal Reserve Bank, Houston Branch Essay Contest 2013



What changes, if any, would you make to fiscal policy to improve the long-term growth and stability of the American economy

Fiscal Cliff

Continuing crisis management of our fiscal policy appears to have contributed to an overall feeling of concern and caution on the part of many American citizens and businesses. Uncertainty about a number of fiscal policy issues provides a cautionary backdrop to any forecasts of economic growth and continuing recovery. The current fiscal policy questions involve more than just the infamous fiscal cliff that Congress dispensed with in January; debt ceilings, tax laws and loopholes, payroll taxes, unemployment insurance, the Affordable Care Act, reductions in Medicare reimbursements, and an automatic sequester all provide potential potholes on the road to recovery. As part of the generation that will inherit the fiscal policy now in place, discuss any changes you would make to fiscal policy.

Fiscal policy—that is, decisions to spend money and collect taxes—is generated by Congress. Unlike members of the Federal Open Market Committee (FOMC), which makes decisions about monetary policy, members of Congress have political pressures to contend with as they make decisions about the state of our nation’s finances. As you make recommendations for changes to fiscal policy, keep in mind the necessity Congress faces to gather majority support for any changes that would be implemented. Would your recommendations for change be able to garner support from across party lines? What would be the short-term and long-term consequences of your recommendations? What changes might we have to make in our expectations and/or standard of living to accommodate change?

For information on some of the fiscal challenges currently facing our nation, one source you may find helpful is “Falling Off the Fiscal Cliff” by Jason Saving, Senior Research Economist with the Federal Reserve Bank of Dallas. The article was published in the December 2012 issue of the Dallas Fed’s *Economic Letter* and is available at www.dallasfed.org under the Publications link.

23nd Annual Essay Contest

Essay contest deadline: April 15, 2013

TOPIC: *What changes, if any, would you make to fiscal policy to improve the long-term growth and stability of the American economy ?*

Awards ceremony

Ten essays will be selected for recognition. The selected students, their parents, teachers and administrators will be invited to an awards ceremony at the Houston Branch, Federal Reserve Bank of Dallas.

First Place: \$250 Series EE savings bond

Second Place: \$150 Series EE savings bond

Third Place: \$100 Series EE savings bond.

The contest is open to 11th and 12th grade students attending schools in the 41 county region that the Houston Branch of the Federal Reserve Bank of Dallas serves. See the Houston Branch website for additional information.

Mailing Information and Contacts

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Rules

1. The deadline for entry is April 15, 2013.. Essays must be postmarked on or before that date.
2. The student entry form with signatures of the student, a parent or guardian and the supervising teacher must accompany the essay.
3. Each student may submit only one essay.
4. Essays must be in 12-point type and limited to five double-spaced, one-sided, numbered pages with one inch margins.
5. Each essay must have a separate title page listing these items:
 - a. Essay title
 - b. Students name
 - c. Supervising teacher's name

- d. School name
- e. Total number of pages
- 6. The title of the essay , but not the author's name, should appear at the top of the first page of text.
- 7. A reference page should be included after the last page of text. All sources must be properly acknowledged and correctly noted in the essay.
- 8. The entrant must submit two copies of the essay. Essays will not be returned to the author.
- 9. Essays that do not conform to contest rules and regulations will not be submitted for judging and will not be returned to the author.
- 10. Family members of Federal Reserve Bank employees are not eligible to participate.

Tips on Writing a Winning Essay

An essay with strong content can lose its effectiveness if filled with spelling, grammar and punctuation mistakes. Use this checklist to ensure a clean and easy-to-read copy.

- Thesis clearly presented
- Paragraphs well organized
- Effective transitions between paragraphs
- Argument follows a logical progression
- Strong evidence used to support thesis
- Sentence structure
- Punctuation
- Spelling
- Page numbers
- Bibliography and parenthetical references or footnotes follow a consistent style (see a teacher or librarian for a reference guide)
- Cover includes required information
- First page with title and no name

Footnotes/Bibliography

Use footnotes or parenthetical references for all direct quotations and important facts. See your teacher for a guide on how to format your

Judging

Qualified Federal Reserve staff will judge the essays according to five criteria:

1. Comprehension- How well does the essay reflect a thorough understanding of the topic?
2. Conclusions – Do the conclusions follow logically from the argument? Are the conclusions compelling?
3. Creativity- Were diverse resources and original ideas used to develop the topic?
4. Organization – Does the argument follow a logical and easily understood progression? Does the evidence support the essay's main points?
5. Writing- Were correct grammar, spelling, and punctuation as well as concise language used?